

UNIVERSITI TEKNOLOGI MARA

**STRATEGIC POSITIONING OF
FELDA GROUP TOWARDS
ACHIEVING COMPETITIVE
ADVANTAGE**

MOHD NAZIR BIN RABUN

Thesis submitted in fulfillment
of the requirements for the degree of
Master of Administrative Science

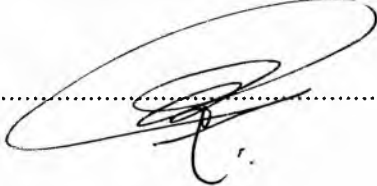
Faculty of Administrative Science and Policy Studies

February 2014

AUTHOR'S DECLARATION

I declare that the work in this thesis was carried out in accordance with the regulations of Universiti Teknologi MARA. It is original and is the result of my own work, unless otherwise indicated or acknowledged as referenced work. This thesis has not been submitted to any other academic institution or non-academic institution for any degree or qualification.

I, hereby, acknowledge that I have been supplied with the Academic Rules and Regulations for Post Graduate, Universiti Teknologi MARA, regulating the conduct of my study and research.

Name of Student	:	Mohd Nazir Rabun
Student's ID No	:	2011426196
Programme	:	Master of Administrative Science (AM780)
Faculty	:	Administrative Science & Policy Studies
Title	:	Strategic Positioning of FELDA Group towards Achieving Competitive Advantage
Signature of Student	:	
Date	:	February 2014

ABSTRACT

The concept of strategic positioning as a fundamental element in strategic management is used to understand how one important segment of public sector organisations, FELDA Group, a key player in the plantation industry, determines its strategic positioning towards achieving a competitive advantage. With the emergence of two dominant yet competing perspectives, the industrial organisation (IO) view theory (Porter, 1980, 1985) and the resource-based view (RBV) theory (Wernerfelt, 1984; Barney, 1991) are used to examine the relationships. This research aims to examine determinants that form the bases of strategic positioning towards achieving a competitive advantage. This research examines the moderating variable that could affect the relationship between determinants of strategic positioning and achieving competitive advantage, namely the organisation's age. A triangulation approach combining questionnaire and interviews was used in the study. There were 162 completed questionnaires returned, but only 150 were usable. To support the results from the quantitative data, semi-structured interviews were conducted with 2 Board Members of FELDA Group, who have broad and extensive perspective of the present situation of strategic management practices representing the influential group. The study found that the internal strategic capabilities factors in FELDA Group were highly influencing the achievement of competitive advantage. The focus of the FELDA Group managers has been to enhance the organisation's performance and generate competitive advantage by strengthening its internal strategic capabilities factors in terms of human resources, financial position, leadership, organisational culture and organisational structure. Results also indicated that organisation's age was significantly moderated the relationship between stakeholders' influences-expectations factors and achieving competitive advantage.

TABLE OF CONTENTS

	Page
AUTHOR'S DECLARATION	ii
ABSTRACT	iii
ACKNOWLEDGEMENTS	iv
TABLE OF CONTENTS	v
LIST OF TABLES	x
LIST OF FIGURES	xi
LIST OF ABBREVIATIONS	xii
CHAPTER ONE: INTRODUCTION OF THE RESEARCH	
1.1 BACKGROUND OF THE STUDY	1
1.1.1 Strategic Management and Connection between Strategic Positioning and Competitive Advantage	3
1.1.2 Background of the Research Setting: FELDA Group-A Strive towards Achieving Competitive Advantage	4
1.2 STATEMENT OF THE PROBLEM	7
1.3 RESEARCH OBJECTIVES	10
1.4 RESEARCH QUESTIONS	11
1.5 SCOPE OF THE STUDY	12
1.6 SIGNIFICANCE OF THE STUDY	12
1.6.1 Theoretical Level	13
1.6.3 Methodological Level	13
1.6.2 Practical Level	14
1.7 DEFINITIONS OF TERM	15
1.7.1 FELDA Group	15
1.7.2 FELDA	15
1.7.3 Strategic Management	15
1.7.4 Strategic Positioning	16
1.7.5 Organisation's Age	17
1.7.6 Perceived Competitive Advantage	17

1.8	ORGANISATION OF THE REMAINING CHAPTERS	17
1.9	CONCLUSION	18

CHAPTER TWO: REVIEW OF LITERATURE & CONCEPTUAL FRAMEWORK

2.1	INTRODUCTION	19
2.1.1	The Diminishing Concept of “Publicness” that Links to Promoting Strategic Management as Part of the New Public Management (NPM) - Inspired Reform	24
2.1.2	Understanding Strategy: Concept and Principles	26
2.2	STRATEGIC MANAGEMENT, THEORIES AND TOOLS	29
2.2.1	Approaches on Strategic Positioning and Achieving Competitive Advantage	32
2.2.2	Strategic Positioning and its Application	34
2.2.3	SWOT Analysis	43
2.2.4	Strategic Positioning: Exploiting Organisation’s Internal Strategic Capabilities	45
2.2.5	Strategic Positioning: Understanding the Stakeholders' Influences-Expectations	52
2.2.6	Effect of Organisation's Age	56
2.2.7	Competitive Advantage of Public Sector Organisations: A Critical Reviews	58
2.2.8	FELDA Group’s Positioning	61
2.3	PAST RESEARCH ON STRATEGIC MANAGEMENT IN THE PUBLIC SECTOR	64
2.4	CONCEPTUAL FRAMEWORK	71
2.4.1	Dimension of Conceptual Framework and Hypotheses	72
2.4.2	Dimension of Independent Variables and Hypotheses	74
2.4.3	Dimensions of Dependent Variable	77
2.4.4	The Competitive Advantage Dimensions have been identified as Follow:	78
2.4.5	Dimensions of Organisation's Age as a Moderator Factor	81
2.5	THE DEVELOPMENT OF HYPOTHESES TO BE TESTED	84
2.6	SUMMARY	85